



METRO REPORTS 2025 FOURTH QUARTER RESULTS

MONTREAL, Nov. 19, 2025 /CNW/ - METRO INC. (TSX: MRU) today announced its results for the fourth quarter of Fiscal 2025 ended September 27, 2025.

2025 FOURTH QUARTER HIGHLIGHTS

- Sales of \$5,108.7 million, up 3.4%
- Food same-store sales⁽¹⁾ up 1.6%
- Pharmacy same-store sales⁽¹⁾ up 4.8%
- Net earnings of \$217.0 million, down 1.3% and adjusted net earnings⁽¹⁾ of \$246.0 million, up 8.6%
- Fully diluted net earnings per share of \$1.00, up 2.0% and adjusted fully diluted net earnings per share⁽¹⁾ of \$1.13, up 10.8%
- Negative impact of \$22.5 million on net earnings (\$30.6 million before taxes) due to the temporary shutdown of our frozen food distribution centre in Toronto

FISCAL 2025 HIGHLIGHTS

- Sales of \$22,006.7 million, up 3.7%
- Net earnings of \$1,019.5 million, up 9.4% and adjusted net earnings⁽¹⁾ of \$1,049.8 million, up 7.9%
- Fully diluted net earnings per share of \$4.63, up 12.7% and adjusted fully diluted net earnings per share⁽¹⁾ of \$4.77, up 10.9%

(Millions of dollars, except for net earnings per share)	12 weeks / Fiscal Year				
	2025	%	2024	%	Change (%)
Sales	5,108.7	100.0	4,938.4	100.0	3.4
Operating income before depreciation and amortization, inventories write-down and impairments of assets	484.7	9.5	459.6	9.3	5.5
Net earnings	217.0	4.2	219.9	4.5	(1.3)
Fully diluted net earnings per share	1.00	—	0.98	—	2.0
Adjusted net earnings ⁽¹⁾	246.0	4.8	226.5	4.6	8.6
Adjusted fully diluted net earnings per share ⁽¹⁾	1.13	—	1.02	—	10.8

(Millions of dollars, except for net earnings per share)	52 weeks / Fiscal Year				
	2025	%	2024	%	Change (%)
Sales	22,006.7	100.0	21,219.9	100.0	3.7
Operating income before depreciation and amortization, inventories write-down and impairments of assets	2,082.9	9.5	1,987.0	9.4	4.8
Net earnings	1,019.5	4.6	931.7	4.4	9.4
Fully diluted net earnings per share	4.63	—	4.11	—	12.7
Adjusted net earnings ⁽¹⁾	1,049.8	4.8	972.9	4.6	7.9
Adjusted fully diluted net earnings per share ⁽¹⁾	4.77	—	4.30	—	10.9

PRESIDENT'S MESSAGE

"We ended our 2025 fiscal year with a solid fourth quarter, delivering adjusted fully diluted net earnings per share⁽¹⁾ growth of 10.8%, achieving our financial framework on all metrics for the year. After almost two months of shutdown, I am pleased to report that we resumed operations last week at our frozen distribution centre in Toronto and expect to be essentially back to normal by the

end of December⁽²⁾. I want to thank all our teams who continue to execute our contingency plan to supply our stores, thereby minimizing the impact on our customers. During the quarter, we successfully opened 4 new food stores and converted 2 others, and we are confident that our sustained investments in our retail network combined with effective merchandising and strong execution will continue to resonate well with customers and create long-term shareholder value⁽²⁾.", declared Eric La Flèche, President and Chief Executive Officer.

OPERATING RESULTS

SALES

Sales in the fourth quarter of Fiscal 2025 ended on September 27, 2025 were \$5,108.7 million, up 3.4% versus the fourth quarter of the prior year, driven by higher sales in our discount and pharmacy retail networks.

Food same-store sales⁽¹⁾ were up 1.6% in the fourth quarter of Fiscal 2025 (2024 — 2.2%). Online food sales⁽¹⁾ were up 19.8% versus last year (2024 — 27.6%). Our food basket inflation was below the reported CPI of 3.4% for food purchased from stores. Pharmacy same-store sales⁽¹⁾ were up 4.8% (2024 — 5.7%), with a 5.5% increase in prescription drugs⁽¹⁾ and a 2.9% increase in front-store sales⁽¹⁾, primarily driven by over-the-counter products, cosmetics, and health and beauty.

Sales for Fiscal 2025 totalled \$22,006.7 million, up 3.7% compared to \$21,219.9 million for Fiscal 2024.

OPERATING INCOME BEFORE DEPRECIATION AND AMORTIZATION, INVENTORIES WRITE-DOWN AND IMPAIRMENTS OF ASSETS

This earnings measurement excludes financial costs, taxes, depreciation and amortization, inventories write-down and impairments of assets.

Operating income before depreciation and amortization, inventories write-down and impairments of assets for the fourth quarter of Fiscal 2025 totalled \$484.7 million, or 9.5% of sales, an increase of 5.5% versus the corresponding quarter of Fiscal 2024. The fourth quarter of 2025 included direct costs of \$6.1 million related to the temporary shutdown of our frozen food distribution centre in Toronto. Operating income before depreciation and amortization, inventories write-down and impairments of assets for Fiscal 2025 totalled \$2,082.9 million, or 9.5% of sales, up 4.8% versus Fiscal 2024. Fiscal 2024 benefited from a gain on sale of assets of \$6.8 million.

Gross margin⁽¹⁾ for the fourth quarter and Fiscal 2025 were respectively 20.0% and 19.9% versus 19.7% for both corresponding periods of 2024. The margin improvement in the quarter and the year is partly attributable to productivity gains at our food distribution centres and shrink improvement in stores.

Operating expenses as a percentage of sales for the fourth quarter and Fiscal 2025 were respectively 10.5% and 10.4%, versus 10.4% for both corresponding periods of 2024. Operating expenses as a percentage of sales for the fourth quarter and Fiscal 2025 were unfavorably impacted by \$6.1 million of direct costs related to the temporary shutdown of our frozen food distribution centre in Toronto. Excluding these costs, operating expenses as a percentage of sales for the fourth quarter and Fiscal 2025 would have been similar to last year.

DEPRECIATION AND AMORTIZATION

Total depreciation and amortization expense for the fourth quarter of Fiscal 2025 was \$139.8 million versus \$135.8 million for the corresponding quarter of 2024. For Fiscal 2025, total depreciation and amortization expense was \$594.4 million versus \$570.4 million for Fiscal 2024. The annual increase

in depreciation and amortization expense is mainly due to higher retail investments and the commissioning of investments in our supply chain, including some automation technology in the Pharmacy division and the final phase of our fresh distribution centre in Toronto in the summer of 2024.

INVENTORIES WRITE-DOWN

The Corporation recognized an expense of \$24.5 million for the write-down to net realizable value of inventories during the 12-week period and fiscal year ended September 27, 2025.

This write-down relates to frozen product inventories that were deemed unsalvageable following a mechanical failure of the refrigeration system at the frozen food distribution centre in Toronto. The operations at the distribution centre were stopped on September 12, 2025 and had not resumed as of September 27, 2025.

IMPAIRMENTS OF ASSETS

During the second quarter of Fiscal 2024, the Corporation recorded \$20.8 million of impairments of assets resulting from the decision to have Metro stores in Ontario withdraw from the Air Miles® loyalty program in the summer of 2024. This impairment represents the entire carrying value of the loyalty program asset.

NET FINANCIAL COSTS

Net financial costs for the fourth quarter of Fiscal 2025 were \$34.4 million compared with \$32.6 million in the corresponding quarter of 2024. The increase in financial costs is mainly due to higher interest expense on net debt. For Fiscal 2025, net financial costs were \$143.8 million compared with \$145.7 million in Fiscal 2024. The decrease in net financial costs is mainly due to lower interest expense on net debt partly offset by lower capitalized interest.

INCOME TAXES

The income tax expense of \$69.0 million for the fourth quarter of Fiscal 2025 represented an effective tax rate of 24.1% compared with an income tax expense of \$71.3 million and an effective tax rate of 24.5% for the fourth quarter of Fiscal 2024. The decrease in the effective tax rate in 2025 is mainly attributable to a provincial tax holiday related to the commissioning of our new automated distribution centre for fresh and frozen products in Terrebonne.

The income tax expense of \$300.7 million for Fiscal 2025 and \$318.4 million for Fiscal 2024 represented effective tax rates of 22.8% and 25.5% respectively. The decrease in the effective tax rate in 2025 is mainly attributable to a provincial tax holiday related to the commissioning of our new automated distribution centre for fresh and frozen products in Terrebonne and income tax adjustments in respect of prior years. The total tax holiday represents approximately \$66 million and we estimate it will be recognized over a period of 3 years⁽²⁾.

NET EARNINGS AND ADJUSTED NET EARNINGS⁽¹⁾

Net earnings for the fourth quarter of Fiscal 2025 were \$217.0 million compared with \$219.9 million for the corresponding quarter of 2024, while fully diluted net earnings per share were \$1.00 compared with \$0.98 in 2024, down 1.3% and up 2.0% respectively. Excluding the specific items shown in the table below, adjusted net earnings⁽¹⁾ for the fourth quarter of Fiscal 2025 totalled \$246.0 million compared with \$226.5 million for the corresponding quarter of 2024, and adjusted fully diluted net earnings per share⁽¹⁾ for the fourth quarter of Fiscal 2025 were \$1.13, versus \$1.02 in 2024, up 8.6% and 10.8% respectively.

Net earnings for Fiscal 2025 were \$1,019.5 million compared with \$931.7 million for Fiscal 2024, while fully diluted net earnings per share were \$4.63 compared with \$4.11 in 2024, up 9.4% and 12.7% respectively. Excluding the specific items shown in the table below, adjusted net earnings⁽¹⁾ for Fiscal 2025 totalled \$1,049.8 million compared with \$972.9 million for Fiscal 2024, and adjusted fully diluted net earnings per share⁽¹⁾ amounted to \$4.77 for Fiscal 2025 versus \$4.30 for the prior year, up 7.9% and 10.9% respectively.

Net earnings and fully diluted net earnings per share (EPS) adjustments⁽¹⁾

	12 weeks / Fiscal Year					
	2025		2024		Change (%)	
	Net earnings (Millions of dollars)	Fully diluted EPS (Dollars)	Net earnings (Millions of dollars)	Fully diluted EPS (Dollars)	Net earnings	Fully diluted EPS
Per financial statements	217.0	1.00	219.9	0.98	(1.3)	2.0
Inventories write-down and other direct costs due to the freezer issue, net of taxes of \$8.1	22.5		—			
Amortization of intangible assets acquired in connection with the Jean Coutu Group acquisition, net of taxes of \$2.4	6.5		6.6			
Adjusted measures ⁽¹⁾	246.0	1.13	226.5	1.02	8.6	10.8

	52 weeks / Fiscal Year					
	2025		2024		Change (%)	
	Net earnings (Millions of dollars)	Fully diluted EPS (Dollars)	Net earnings (Millions of dollars)	Fully diluted EPS (Dollars)	Net earnings	Fully diluted EPS
Per financial statements	1,019.5	4.63	931.7	4.11	9.4	12.7
Inventories write-down and other direct costs due to the freezer issue, net of taxes of \$8.1	22.5		—			
Loss on impairment of a loyalty program, net of taxes of \$2.7	—		18.1			
Gain on disposal of an investment in an associate, net of taxes of \$1.6	—		(5.4)			
Amortization of intangible assets acquired in connection with the Jean Coutu Group acquisition, net of taxes of \$10.2	28.4		28.5			
Favorable resolution of a tax position in respect of prior years	(20.6)		—			
Adjusted measures ⁽¹⁾	1,049.8	4.77	972.9	4.30	7.9	10.9

NORMAL COURSE ISSUER BID PROGRAM

Under the current normal course issuer bid program, the Corporation may repurchase up to 10,000,000 of its Common Shares between November 27, 2024 and November 26, 2025. As at November 7, 2025, the Corporation has repurchased 8,700,000 Common Shares at an average price of \$97.51, for a total consideration of \$848.3 million. The Corporation intends⁽²⁾ to renew its normal course issuer bid program as an additional option for using excess funds.

DIVIDENDS

On September 29, 2025, the Board of Directors declared a quarterly dividend of \$0.37 per share, the same amount declared last quarter.

FORWARD-LOOKING INFORMATION

We have used, throughout this report, different statements that could, within the context of regulations issued by the Canadian Securities Administrators, be construed as being forward-looking information. In general, any statement contained herein that does not constitute a historical fact may be deemed a forward-looking statement. Expressions such as "intend", "continue", "estimate", "expect" and other similar expressions are generally indicative of forward-looking statements. The forward-looking statements contained herein are based upon certain assumptions regarding the Canadian food and pharmaceutical industries, the general economy, our annual budget, as well as our 2026 action plan.

These forward-looking statements do not provide any guarantees as to the future performance of the Corporation and are subject to potential risks, known and unknown, as well as uncertainties that could cause the outcome to differ significantly. Risk factors that could cause actual results or events to differ materially from our expectations as expressed in, or implied by, our forward-looking statements are described and discussed under the "Risk Management" section in our Annual Report 2024.

We believe these statements to be reasonable and pertinent as at the date of publication of this report and represent our expectations. The Corporation does not intend to update any forward-looking statement contained herein, except as required by applicable law.

NON-GAAP AND OTHER FINANCIAL MEASUREMENTS

In addition to the International Financial Reporting Standards (IFRS) measurements provided, we have included certain non-GAAP and other financial measurements. These measurements are presented for information purposes only. They do not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measurements presented by other public companies.

National Instrument 52-112 Non-GAAP and Other Financial Measures Disclosure sets out specific disclosure requirements for non-GAAP financial measures, non-GAAP ratios, and other financial measures, which are capital management measures, supplementary financial measures, and total of segments measures, as defined in the Instrument (together the "specified financial measures").

The specified financial measures we disclose in our documents made available to the public are presented by measurement categories below.

NON-GAAP FINANCIAL MEASURES

Adjusted earnings before net financial costs and income taxes is a non-GAAP financial measurement that, with respect to its composition, is adjusted to exclude net financial costs and special items from the composition of the most directly comparable financial measure disclosed in our consolidated financial statements, which is earnings before income taxes. Special items may include acquisition and restructuring charges, gains or losses on the disposal of investments, and amortization and impairment losses of intangible assets resulting from a business acquisition.

Adjusted net earnings is a non-GAAP financial measurement that, with respect to its composition, is adjusted to exclude special items from the composition of the most directly comparable financial measure disclosed in our consolidated financial statements, which is net earnings. Special items may include acquisition and restructuring charges, gains or losses on the disposal of investments, amortization and impairment losses of intangible assets resulting from a business acquisition, and significant prior-year tax adjustments.

For measurements depicting financial performance, we believe that presenting earnings adjusted for these items, which are not necessarily reflective of the Corporation's performance, leaves readers of financial statements better informed thus enabling them to better perform trend analysis, evaluate the Corporation's financial performance and assess its future outlook. Adjusting for these items does not imply that they are non-recurring.

NON-GAAP RATIOS

Adjusted fully diluted net earnings per share is a non-GAAP ratio by where a non-GAAP financial measure is used as one or more of its components. The non-GAAP component used is adjusted net earnings⁽¹⁾. Adjusted fully diluted net earnings per share is calculated by dividing the adjusted net earnings⁽¹⁾ attributable to equity holders of the parent by the weighted average number of Common

Shares outstanding during the year, adjusted to reflect all potential dilutive shares.

We believe that presenting this ratio, in which a non-GAAP financial measurement is used as one or more of its components, leaves readers of financial statements better informed as to the current period and corresponding prior year's period's performance, thus enabling them to better perform trend analysis, evaluate the Corporation's financial performance and assess its future outlook. Adjusting for these items does not imply that they are non-recurring.

SUPPLEMENTARY FINANCIAL MEASURES

The supplementary financial measures listed below are, or are intended to be, disclosed on a periodic basis to depict the historical or expected future financial performance, financial position or cash flow of the Corporation.

Food same-store sales are defined as comparable retail sales of stores with more than 52 consecutive weeks of operations, including relocated, expanded and renovated locations. Food same-store sales is a measure based on all stores in our network, including those whose sales are not included in the Corporation's consolidated financial statements.

Online food sales are the sum of sales made from all our online channels.

Pharmacy same-store sales (including total, front-store and prescription drugs) are defined as comparable retail sales of stores with more than 52 consecutive weeks of operations, including relocated, expanded and renovated locations. Pharmacy same-store sales do not form part of the Corporation's consolidated financial statements because the pharmacies are held by pharmacist owners.

Gross margin ratio is calculated by dividing gross profit by sales.

OUTLOOK⁽²⁾

Operations at our frozen food distribution centre in Toronto resumed on November 10 and we expect to be essentially back to normal by the end of December. We estimate that the direct costs associated with the temporary shutdown of our distribution centre will impact our net earnings by approximately \$15 to \$20 million in the first quarter of fiscal 2026. The impact on sales and gross profit is expected to be modest given the contingency plan in place. In addition to the ramp-up of the freezer, our focus remains on realizing efficiency gains throughout our supply chain and store network while we continue to execute on our plan to accelerate the development of our growing discount banners with the planned opening of about a dozen new or converted stores in the next fiscal year. We remain steadfast in our efforts to deliver the best value possible to our customers through our effective merchandising programs, strong private labels, the Moi program, and consistent execution at store level.

CONFERENCE CALL

Financial analysts and institutional investors are invited to participate in a conference call for the **2025 fourth quarter results** at **9:00 a.m. (EST) today, November 19, 2025**. To access the conference call, please dial 1 (800) 990-4777. The media and investing public may access this conference via a listen mode only.

Notice to readers: METRO INC. fourth quarter of 2025 interim condensed consolidated financial statements and management's discussion and analysis are available on the Internet at www.corpo.metro.ca - Corporate Site - Investors - 2025 Quarterly Results - 2025 Fourth Quarter Results.

(1) This measurement is presented for information purposes only. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measurements presented by other public companies. See table in section "Operating Results" and section on "Non-GAAP and Other Financial Measurements"

(2) See section on "Forward-looking Information"

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